



# Tax First

## Namibia Newsletter

### May 2017

A monthly newsletter published by PwC Namibia providing informed commentary on current developments in the local tax arena.

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Tax returns completed in 30 minutes or less on  
[www.taxtim.pwc.com.na](http://www.taxtim.pwc.com.na)



# pwc

## Social Security compliance

*The Social Security Act, Act 34 of 1994, provides for an income support system designed for the broadest possible number of Namibians. The system provides for maternity leave, sick leave and death/retirement benefits for its members. Social security is based on a principle of 50:50 contributions from employers and employees. This entitles the employee to certain benefits after a set period of time (minimum 6 months membership period).*

The employer is required to register with the Social Security Commission ("SSC") as well as register all its employees who are younger than 65 years of age and who work for the employer for more than two days in any week. To register, both parties must complete the relevant registration forms and submit it to the SSC office.

Once registered, the SSC will issue a social security number to the employer and social security cards to each employee which will reflect their social security number. These numbers will be used when completing the monthly social security returns.

Failure to register employees with the SSC will result in employees not being able to submit claims in the event of sickness, maternity or upon death/retirement/permanent disability.

Employee contribution is calculated at 0.9% based on the employee's basic salary up to a maximum amount of N\$81.00 per month. The employer also contributes the exact amount deducted from the employee. The minimum monthly contribution is N\$2.70 and maximum contribution is N\$81.00 by each party.

A self-employed person's contributions would also be at 1.8% of his/her basic salary.

Monthly contributions are due and payable by the 30<sup>th</sup> of the month following the month in which the deduction was made.

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#### TIM's TIP:

Click here to view our TaxTim introduction video: <https://youtu.be/wck47YL4EcI>

For queries please mail us at [taxtim@na.pwc.com](mailto:taxtim@na.pwc.com) or register for TaxTim today at [www.taxtim.pwc.com.na](http://www.taxtim.pwc.com.na)



## Workmen's Compensation compliance

*Employers are required, under the Employee Compensation Act, Act 30 of 1941, to contribute to a fund that provides cash benefits for industrial injury, disability and death.*

Workmen's Compensation registration is compulsory for all businesses and should be completed and submitted in the month when employing its first employee.

For the purposes of the Employee Compensation Act the term "employee" means any person whether employed permanently, temporarily or casually, with the exception of the following:

- Persons earning more than N\$81,300 per annum (N\$6,775 per month);
- Persons employed casually and not for the purpose of the employer's business;
- Outworkers performing work on premises not under the control of the employer;
- Seamen or airmen under a contract of service whose remuneration is fixed solely by a share in the takings; and
- Persons employed temporarily outside the Republic of Namibia for a continuous period of more than 12 months, unless their employers have made special arrangements with the Commission.

Should cover be required in respect of employees earning above N\$81,300 per annum, a special application should be made.

The employer is required to complete and submit an annual return which is due 31 March each year. The return must include a summary of all employees and their total earnings paid for the year. The employer will receive an assessment from the Commissioner indicating the amount payable.

Contribution rates vary according to inherent occupational risk, from less than 1 percent in most low risk commercial/administrative occupations, to 8 percent (drilling, tunnelling and rock blasting).

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## Land Valuation and Taxation Regulations, 2007

*In terms of Notice No. 75 published in the Government Gazette No. 6277 on 31 March 2017, the Honorable Minister of Land Reform, Mr. Uutoni Nujoma, announced the date of valuation and period for general valuation for agricultural land.*

In terms of sub-regulation (3) of regulation 3 of the Land Valuation and Taxation Regulations published under Government Notice No. 120 of 3 July 2007 read with subregulation (1)(a) of that regulation, it was determined that -

- a) the date of valuation is 1 April 2017; and
- b) the period for the general valuation of all agricultural land is from 1 April 2017 to 31 December 2017.

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**Vocational Education Training ("VET") Levy claims must be submitted to the Namibia Training Authority ("NTA") by 1 May 2017. The NTA has announced that it will not allow for extensions.**

## PwC Business School Training



### Training for May:

#### Windhoek

8 May	COBIT 5 and ITIL
12 May	Tax training for non-financial managers
17 May	Finance training for non-FM's, entrepreneurs and business owners
31 May	How to develop a pay scale

For more information, contact one of our Business School Managers.

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#### Walvis Bay

12 May	Directors training: Corporate governance
23 May	SME series: Tax compliance
8 June	Directors training: Basic duties and liabilities of directors
8 June	SME series: Employment compliance

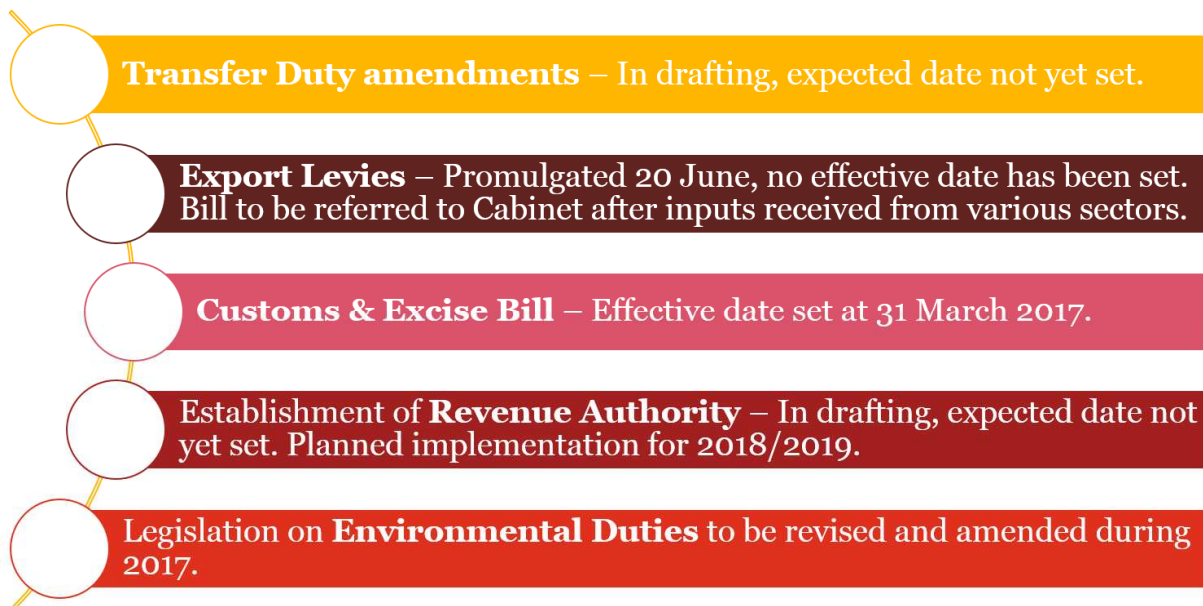
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Or follow the below link to our website:  
<http://www.pwc.com/na/en/events.html>

## New Legislation Tracker

This diagram tracks the progress of proposed tax legislation.

The following is the status of announced legislation up to 30 April 2017:



## Tax Calendar - May 2017

Mon	Tue	Wed	Thu	Fri
15	16	17	18	19 VET levy return
22 <ul style="list-style-type: none"> <li>PAYE Return</li> <li>Import VAT return</li> <li>Withholding Tax Returns: Services, Royalties, Interest</li> <li>NRST</li> </ul>	23	24	25 Public holiday	26 VAT return
29	30	31 <ul style="list-style-type: none"> <li>Social Security payment</li> <li>1st provisional for taxpayers with November 2017 year-end</li> <li>2nd provisional for taxpayers with May 2017 year-end</li> <li>Tax return for companies with 31 October 2016 year-end</li> </ul>		

For assistance or advice please contact one of our tax specialists.

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# PwC Business School Annual Namibian Tax Symposium 2017

PwC Tax teams will again host our popular three-day Symposium on Namibian Taxes.

**WHERE:** Windhoek **DATE:** 7, 8 and 9 June 2017

**VENUE:** PwC Business School and Safari Hotel

**NOTE:** You can book any one of the sessions or more than one session.

## 7 June 2017

### Morning Session

#### Introduction to Income Tax

- Basic Income Tax Rules: Tax Framework; Gross income definition; Deductions; Capital allowances and Recoupment; Individual Taxes • Thin Capitalisation & Transfer Pricing
- Withholding taxes

#### Time:

07h30 for 08h00 - 13h00



#### Venue:

PwC Business School Training Centre

#### Cost:

N\$ 2,250 (incl VAT) per delegate

## 7 June 2017

### Afternoon Session

#### Employee Pay and Taxes

Income Tax Framework; Total Cost to Company; Employee Taxes (PAYE); Payroll administration

#### Time:

14h00 - 17h00

#### Venue:

PwC Business School Training Centre

#### Cost:

N\$ 1,350 (incl VAT) per delegate



## 8 June 2017

### Basic VAT

Full Day session, covering the following topics: Imposition of VAT; Rules on supplies; Rules on input tax; Import VAT apportionment; VAT and accounting system

#### Time:

07h30 for 08h00 - 17h00

#### Venue:

Safari Hotel



#### Cost:

N\$ 3,250 (incl VAT) per delegate  
Special package for companies:  
Register 3 people and get the 4th one free.

## 9 June 2017

### International Tax & Transfer Pricing

International trends; Challenge faced in the Transfer pricing world; Double taxation agreements; Permanent establishments, withholding taxes, cross border issues

#### Time:

08h00 - 11h00

#### Venue:

PwC Business School Training Centre

#### Cost:

N\$ 1,100 (incl VAT) per delegate



**Registrations close Monday, 5 June 2017**



Register with PwC Business School via email [busschool@na.pwc.com](mailto:busschool@na.pwc.com)